Mint of the United States. Philadelphia, Sannay 11, 1850.

dir,

As meladeness been about to be later for establishing a Branch Mint in California, it is important that attention should be called to a provision in the existing laws, which, if not modified, would make coinage, as the proposed Mint, enceedingly sufundine, if not impracticable.

The provision in question is in the Oct of I among 18th, 1837, bestion 8 th, which requires that "the alloy of-gold coins shall be of copper and silver, provided that the silver do not exceed our half of the whole alloy."

I would suggest that in an act establishing a Branch which in California, it be provided, That the alloy 4th gold coins made at that Mint shall be of silver above, not copper and silver, as the Director of the other, with the concurrence of the Shout any of the Treasury, may from time to time fruscribe. The reasons which call for this change are as follows.

Here copy from M.d. 7

In the course of time, however, it is probable that the difficulties now existing many be so far removed that the parting of the silver may become disirable, and hence a provision for this contingues has been proposed.

Him form. M. Meredith,

Secretary of the dreamy.

P.M.J.

gro

In the Establishment by last of a Branch mint in California, There is one profision of excieting mint laws which would deem to pequire modification, with reference to that branch, and to ensure its successful aperation. The pet of Jany 1837 provides, fect. 8., that "the alloy of the gold coins shall be of copper and silver, provided that the silver do not exceed one-half of the whole alloy. 1- For this it is toke proposed to substitute, so far as concerns that branch of the mint, that " the allow of the gold coins shall be of silver or of copper and silver, as the Director of the mint, with the concurrence of the . Sec. of the Tuanung, only from time to time fre= Copy I The gold of California is naturally alloyed mith silver only; and in the average proportions

of 888 parts gold to 108 parts Silver, per Thousand. The presence of a little iron is of no practical moment.) Judging from the monthly importations of that gold, for the last few months, into our attantic ports, a branch mist there would probably be called whom operate whom an amount of to specially mostly, monthly; which estimate, white the it adds something to our actual receipts, does not include any that mould be shipped for European account. The Equivalent of that sum, in weight, is about 54,000 ounces; say 650,000 ounces annually. - To comply mith the existing law, even & in its lowest demands, There would need to be subjected to the chemical process of parting, three-fifths of that amount, say 390,000 ounces. for prodigious an amount of the wint here and the reformines in Russia , probably no where performed, if we except the mint here and the reformines in Russia the morted if we went the Russia. The Difficulty does not indeed hie in that fact, but in this other coupled with it, that of all countines. California

RG104 E-11 Box 43 1850-53 San Francisco is the most illy-provided for such nort. This is so, from the want of materials; from her remotiness from the manufactories of those materials; and because those materials, or some of them, are of such a to transport; kind an it is difficult and expensive and because labour is po costly. The 390,000 ozs. of gold mould require 150,000 pounds of nitice acid, for the parting. Without the quatest precautions in packing, to pre: vent the escape of any portion of that destructive fluid, or even of its fumes, vessels mill not carry it at all, certainly not below deck. It is carried on deck to New Orleans; but this earninge not be usked on a vryage eight times as distant, and around Cape Horn. Bu - Besides this, there mould to required large quantities of sulphunic acid,

Julyabo, martile offine importance in a refinery, costs at present, in In

a so delle present of a stander southy set, and 30 for two of anthreads coal; the word Zine, nette, common salt. - and not light of all, some fine six additional morkmen moyeld he ne unary, of valent they gould be found for nuch a afisone true news, in that new countrys, ) gat majes certainly not less than six dollars per driem, each.

And underty Cheatric, that RG104 E-11 Box 43 1850-53 San Francisco So that the silver parted out, money not fray the expenses, much less be of any advantage to Depositor. another capital objection is, that the necessity for so much refining mould at times occasion delay and uncertainty as to coinage and payment; of which, mth all our advantages, on have had sufficient proof. The amendment proposed, the it mould require some refining, to bring the gold up to the standard of goo nine-tenths, mould remove the only perious obstacle to the project, so far as is perceived, and under the operations of the Branch minh easy, rapid, and economical comparatively cheap. The coins mould be presententall the same in As ours in the essential properties of weight, fine hers and value, and altho' paler in colour, mould be uniform in that respect among themselves, and not different from the gold coins of the Pacific coast generally. And as facilities sincrease, the entented with the cornage to exercise a sound discretion in mosty ing the abloy. 

RG104 E-11 Box 43 1850-53 San Francisco Secretary of Treasury. Jan. 11 /50. Mance muin cato.

Mint Office United States
Philadelphia

January 16, 1850.

Sir,

As measures seem about to be taken for establishing a Branch Mint in California, it is important that attention should be called to a provision in the existing laws, which if not modified, would render coinage, at the proposed Mint, exceedingly difficult, if not impracticable.

The provision in question is in the Act of January 18th, 1837, section 8th, which requires that "the alloy of gold coins shall be of copper and silver, provided that the silver do not exceed one-half of the whole alloy."

I would suggest that in an act establishing a Branch Mint in California, if it be provided, That the alloy of the gold coins made at that Branch Mint shall be of silver alone, or of copper and silver, as the Director of the Mint, with the concurrence of the Secretary of the Treasury, may from time to time prescribe.

The reasons which call for this change are as follows

[Here copy from M. Dir.]

In the course of time, however, it is probable that the difficulties now existing, might be so far removed that the parting of the silver may become desirable, and hence a provision to that contingency has been proposed.

R.M.P., Dir.

To,
Hon. William M. Meredith,
Secretary of the Treasury

In the establishment by law of a Branch Mint in California, there is one provision of existing mint laws which would seem to require modification, with reference to that branch, and to ensure its successful operation. The act of January 1837 provides, Sec. 8, that the alloy of the gold coins shall be of copper and silver, provided that the silver do not exceed one half of the whole alloy. For this it is proposed to substitute, so far as concerns that branch of the Mint, that "the alloy of the gold coins shall be of silver or of copper and silver, as the Director of the Mint, with the concurrence of the Sec. of the Treasury, may from time to time prescribe."

Copy. [The gold of California is naturally alloyed with silver only; and in the average proportion of 888 parts gold to 108 parts silver, per thousand. (The presence of a little iron is of no practical moment.)

Judging from the monthly importations of that gold, for the last four months, into our Atlantic ports, a branch mint there would probably be called upon to operate upon from one million of dollars' worth, monthly, to another, which estimate, tho' it adds something to our actual receipts, does not include any that may be shipped for European account.] The equivalent of that sum, in weight, is about 54,000 ounces; say 650,000 ounces annually. To comply with the existing law, even in its lowest demands, there would need to be subjected to the chemical process of parting, three-fifths of that amount, say 390,000 ounces.

So prodigious an amount of work of this kind is probably no where performed, if we more than four-fifths, if we except the mint here and the refineries in Russia. The difficulty does not indeed lie in that fact, but in this other coupled with it, that of all countries, California is the most illy provided for such work. This is so, from the want of materials; from the remoteness from the manufactories of those materials; and because those materials, or some of them, are of such a kind as it is difficult and expensive to transport; and because labor is so costly.

The 390,000 ozs. of gold would require 150,000 pounds of <u>nitric acid</u> for the parting. Without the greatest precautions in packing, to prevent the escape of any portion of that destructive fluid, or even of its fumes, vessels will not carry it at all, certainly not below deck. It is carried on deck to New Orleans, but this carriage [cannot] be risked on a voyage eight times as distant, and around Cape Horn. Besides this, there would be required large quantities of sulphuric [sic] acid, zinc, nitre, and common salt. And not least of all, some five or six additional workmen would be necessary, (if indeed, they could be found for such a remote business, in tat new country), at wages, certainly not less than six dollars per diem each.

It is evident that the silver parted out, would not pay the expenses, much less be of any advantage to depositors.

Another capital objection is, that the necessity for so much refining would occasion delay and uncertainty as to coinage and payment; of which, with all our advantages, we have had sufficient proof.

The amendment proposed, tho' it would require <u>some</u> refining, to bring the gold up to the standard of nine-tenths, would remove the only serious obstacle to the project so far as is perceived, and render the operations of the Branch Mint easy, rapid, and comparatively cheap. The coins would be the same as ours in the essential points of weight, fineness and value, and altho' paler in color, would be uniform in that respect among themselves, and not different from the gold coins of the Pacific coast generally. (And as facilities increase, the latitude allowed in the law would enable those entrusted with the coinage to exercise a sound discretion in modifying the alloy.

Secretary of Treasury Jan. 18 1850. Branch Mint Cal